FORM 2210ME
2001

Underpayment of Estimated Tax by Individuals, Estates or Trusts

Enclose with your Form 1040ME or Form1041ME
(See instructions on back)

010211800

For calendar year 2001 or fiscal year beginning _____ , 2001 and ending _____ , _____

Name(s) as shown on Form 1040ME or 1041ME

Your SSN or EIN

Part I — Calculating Your Underpayment

1. 2001 tax, line 26, Form 1040ME or line 6, Form 1041ME .... _____

2. Multiply tax on line 1 by 90% (66 2/3% for farmers and fishermen) .... _____

3. 2001 Maine Income Tax Withheld, line 28a, Form 1040ME or line 7a, Form 1041ME .... _____

4. Subtract line 3 from line 1. If the result is less than $1,000, do not complete or file this form .... _____

5. 2000 tax (if short year, enter the amount on line 2), line 26, 2000 Form 1040ME or line 6, Form 1041ME.

   (If less than $1,000, do not complete or file this form) .... _____

6. Enter the smaller of line 2 or line 5 .... _____

7. Multiply the amount on line 6 by .25 (To compute your underpayment for each quarter). Enter result here .... _____

	A April 15, 2001	B June 15, 2001	C Sept. 15, 2001	D Jan. 15, 2002
8. **Due dates** for estimated tax payments				
9. **Estimated tax due.** Enter amount from line 7 above or line 25 of annualized worksheet under each payment due date				
10. **Less tax payments.** a Tax withheld (Enter 25% [0.25] of line 3 in each column)				
b Estimated tax paid				
c Amount carried forward (overpaid) from line 11b, previous column. For column A, enter credit carried forward from previous tax year				
d **Total.** Add lines 10a, 10b and 10c				
11. Subtract line 10d from line 9				
a If line 9 is larger than line 10d, enter the **underpayment** here				
b If line 10d is larger than line 9, enter **overpayment** here				

Part II — Calculating the Penalty — For Quarters with entries on line 11a

12. Enter date of payment of the underpayment on line 11a or the 15th day of the fourth month after close of taxable year, whichever is earlier				
13. Number of months from due date of installment (line 8) to date shown on line 12. A part of a month is considered a whole month				
14. Enter the rate from the table on back				
15. Underpayment Penalty — Multiply underpayment on line 11a by the rate on line14				

16. Total of amounts shown on line 15. Enter result here and on Form 1040ME, line 35b or Form 1041ME, line 8b. .... _____
(**If liability is zero, then do not file this form.** However, if you used the annualized income installment method, you must file this form even if the penalty amount is zero.)

Check here and on line 35b, Form 1040ME or line 8b, Form 1041ME, if you use the annualized income installment method. ☐

FORM 2210ME INSTRUCTIONS

Purpose of Form. Use this form to see if you must pay a penalty for underpaying your estimated tax or paying your estimated tax late. Use Part I to see if you paid enough estimated tax on time. If you did not, use Part II to calculate the penalty on any underpayment.

Who Must Pay the Underpayment Penalty? In general, you will owe an underpayment penalty if your 2001 tax liability less allowable credits and withholding is $1,000 or more **and** your 2000 tax liability was $1,000 or more.

You will not owe an underpayment penalty or need to file this form if your 2001 tax liability reduced by allowable credits and Maine income tax withheld is less than $1,000, or your 2000 tax liability was less than $1,000. Even though you are required to file this form, you will avoid the underpayment penalty if you paid at least 90% of the 2001 tax on time.

Farmers and Fishermen. If you are a farmer or fisherman who files an income tax return and pays the tax liability in full on or before March 1 of the following year, no penalty is due.

Actual Liability Payment Method. Individuals must make four (4) equal installment payments of estimated tax unless they can document the actual liability for each required installment of estimated tax. If you use the actual liability method, complete the Annualized Installment Worksheet. Forms are available for download from the Internet at www.state.me.us/revenue or call 207-624-7894. Also check the box below line 16 on this form and on Form 1040ME, line 35b or Form 1041ME, line 8b.

Computation of Underpayment Penalty. Calculate the penalty on the amount of the underpayment of each installment for the period of underpayment. The penalty rate for calendar year 2001 is 0.75% per month or fraction thereof, compounded monthly. For calendar year 2002, the penalty is .667% per month or fraction thereof, compounded monthly. Enter on line 14 the appropriate rate from the table below that corresponds to the number of months shown on line 13. Multiply the underpayment on line 11a by the rate on line 14 and enter the result on line 15. **Penalty for the 4th required payment is waived if the tax return for the taxable year is filed and tax paid by January 31.**

Fiscal-year filers may not use the table below.

Number of Months shown on Line 13	1	2	3	4	5	6	7	8	9	10	11	12
Enter this Rate on line 14, column A	.007500	.015056	.022669	.030339	.038067	.045852	.053696	.061599	.069561	.076691	.083869	.091095
Enter this Rate on line 14, column B	.007500	.015056	.022669	.030339	.038067	.045852	.053696	.060721	.067792	.074911		
Enter this Rate on line 14, column C	.007500	.015056	.022669	.030339	.037208	.044123	.051084					
Enter this Rate on line 14, column D	.006667	.013378	.020134									